



U.S. Department of Justice

Ronald C. Machen Jr.
*United States Attorney for the
District of Columbia*

*Judiciary Center
555 Fourth Street N.W.
Washington, D.C. 20530*

PRESS RELEASE

FOR IMMEDIATE RELEASE

Friday, January 14, 2011

For Information Contact:

Public Affairs

(202) 252-6933

http://www.usdoj.gov/usao/dc/Press_Releases/index.html

District of Columbia Man Pleads Guilty to Operating An Unlicensed Money Transmitting Business

WASHINGTON - Tekle Tewolde, owner of Who U Wit Entertainment, Inc., pled guilty today to operating an unlicensed money transmitting business, announced U.S. Attorney Ronald C. Machen Jr. and Rebecca A. Sparkman, Special Agent in Charge of the Washington, D.C. Field Office of the Internal Revenue Service-Criminal Investigation.

Tewolde, 45, of Washington, D.C., entered his guilty plea this morning in U.S. District Court for the District of Columbia before the Honorable Judge John D. Bates. He is to be sentenced May 3, 2011. He faces a maximum of five years incarceration and a fine of \$250,000.

An unlicensed money transmitting business, broadly defined, is a business involved in the transfer of money or funds affecting interstate or foreign commerce in any manner, which is either operated without an appropriate money transmitting license from the District of Columbia or without complying with federal money transmitting business registration requirements. Tewolde did not register himself or Who U Wit Entertainment, Inc. as a licensed money transmitter pursuant to the laws of the District of Columbia or federal law.

According to the Statement of Facts proffered during the plea hearing, Who U Wit Entertainment was incorporated in 2001 as a business that promoted bands and music. However, it took on other missions. From January 1, 2008 through April 16, 2010, Tewolde received funds from individuals living in the United States in the form of cash, checks, or wire transfers. He pooled together those funds and deposited them into the bank accounts that he controlled. He then transferred those funds to individuals and entities outside the United States in order to ultimately transfer funds and/or goods to individuals or entities in Ethiopia and elsewhere.

Tewolde used multiple bank accounts held in the name of Who U Wit Entertainment, Inc., to transfer money outside the United States. Approximately \$6.4 million was deposited into Who U Wit Entertainment's bank accounts in the District of Columbia. Shortly thereafter, Tewolde transferred by wire a total of more than \$6 million outside of the United States,

including to individuals or entities in China, United Arab Emirates, Turkey, Egypt, India, and the Netherlands. Some of the receiving entities were money exchanges in which funds were converted from U.S. dollars to other currencies. Funds were then transferred from these individuals and/or entities ultimately to individuals in Ethiopia.

Tewolde worked with other individuals in Ethiopia to facilitate the transfer of funds and/or goods from senders in the United States to recipients in Ethiopia.

IRS agents executed a search warrant at the offices of Who U Wit Entertainment, Inc., and executed seizure warrants on two bank accounts controlled by Tewolde. The search and seizure warrants recovered \$98,050 in funds. Under terms of his plea agreement, Tewolde must forfeit those seized funds and forfeit a criminal money judgment in the amount of \$6,352,241.32.

“These types of schemes harm our nation’s economic strength,” stated Special Agent in Charge Sparkman. “Today’s plea is a direct result of the excellent partnership the IRS-Criminal Investigation and the U.S. Attorney’s Office have in combating violations of Federal law.”

In announcing the guilty plea, U.S. Attorney Machen and Special Agent in Charge Sparkman commended Special Agent John Dewire, of IRS-Criminal Investigation, who investigated the case, and Senior Contract Paralegal Taryn McLaughlin in the U.S. Attorney’s Office’s Asset Forfeiture and Money Laundering Section. They also cited the work of Assistant U.S. Attorney Diane Lucas, of the Asset Forfeiture and Money Laundering Section, who prosecuted the case.

11-009

###